Government of Saskatchewan

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending August 15, 2014

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Aug. 15/2014	Average	N.A.	$289.33	$252.50	$241.33	$225.50	$208.58	$199.17
Aug. 15/2014	Range	0	265-313	241-278	231-265	210-250	200-215	193-210
May-Aug./14	Change	N.A.	$61.70	$29.83	$26.58	$32.00	$31.20	N.A.
May 30/2014	Average	$234.83	$227.63	$222.67	$214.75	$193.50	$177.38	N.A
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
Aug. 15/2014	Average	N.A.	$243.00	$223.67	$217.00	$213.33	$197.42	
Aug. 15/2014	Range	0	233-271	213-249	201-241	200-228	190-212	
May-Aug./14	Change	N.A.	$27.67	$21.34	$23.00	$35.83	$30.09	
May 30/2014	Average	$215.50	$215.33	$202.33	$194.00	$177.50	$167.33	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficicent data.

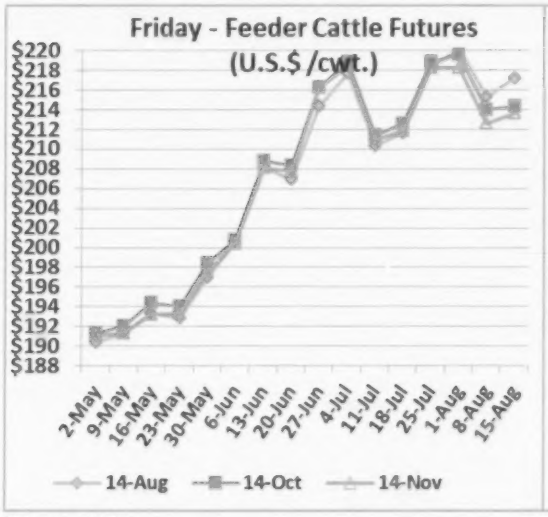
Canfax reported that a total of 3,395 head of cattle were sold in Saskatchewan this week, up from 2,098 head marketed the previous week. The volume the previous week (August 8) was too low for Canfax to estimate prices for the individual feeder steer and feeder heifer categories.

Saskatchewan feeder steer prices had significant gains over the summer; with most categories again reaching new all-time high record prices over the week. Feeder steer prices since the last week of May have increased between $30 and $62 per cwt. The biggest gain was in the 400-500 lb. weight category which increased by almost $62 per cwt.

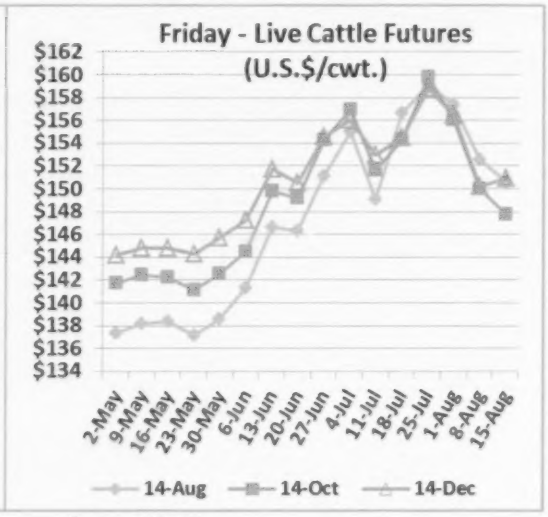
Feeder heifer prices also had significant gains over the summer; with almost all the weight categories reaching new all-time high record prices over the week. Feeder heifer prices increased between $21 and $36 per cwt since the week of May 30, 2014. The 700-800 lb. feeder heifer weight category had the biggest gain over the summer increasing almost $32 per cwt.

The Saskatchewan 750 lb. feeder steer basis compared to the August 14, 2014 U.S. feeder cattle index at US$222.21 per cwt was calculated at -$16.45 per cwt (US$222.21/0.9184 - $225.50).

Feeder cattle futures prices were overall mixed over the week declining significantly Tuesday and rebounding on Friday to edge out some gains over the week. The August to November 2014 contracts increased between US$0.330 and US$1.905 per cwt. The August contract increased US$1.905 per cwt to settle Friday at US$217.225 per cwt, while the October contract increased US$1.050 per cwt to settle Friday at US$213.650 per cwt. Low corn prices, continued strong demand, and tight cattle supplies are the main factors keeping feeder cattle future prices high. Record high prices for all weight categories were last achieved on July 30, at which time both October and November contracts exceeded US$224 per cwt.



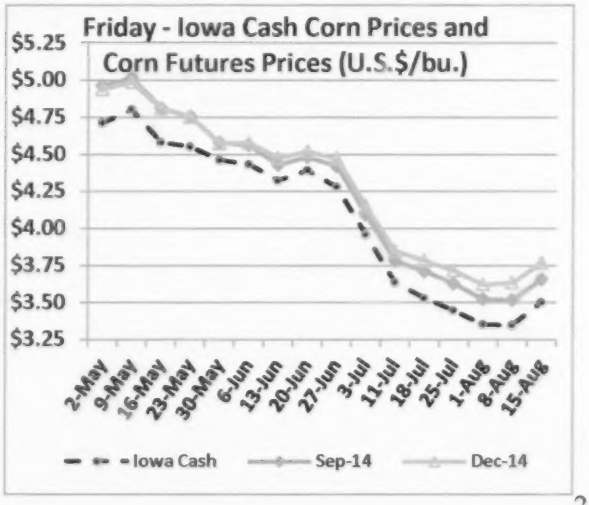
Source: CME



Source: CME

Live cattle futures prices were also mixed over the week before rebounding Thursday and Friday. However, both the nearby August and October futures price ended lower while the December contract edged higher. Future prices ranged from US$0.650 per cwt higher to US$2.250 per cwt lower, week-over-week. The nearby August contract decreased US$1.950 per cwt to settle Friday at US$150.60 per cwt, while the December contract increased US$0.650 per cwt to settle Friday at US$150.90 per cwt. Record high prices for live cattle futures were last set on July 30 when the August to December contracts reached prices just below US$160 per cwt.

Iowa cash corn prices and the nearby corn futures moved higher last week for the first time in a while. Cash corn prices have been primarily in a downward trend since early May declining by about US$1.40 per bushel up to last week. The Iowa cash price on Friday was US$3.50 per bushel, up over 15 cents from US$3.34 per bushel the previous Friday. The September corn futures contract was up 14 cents to settle Friday at US$3.65¾ per bushel, while the December futures contract was up over 13 cents to settle Friday at $3.77 per bushel.



Fed and Non-fed Cattle

	August 15	August 8	May 30	Change over Week (August)
Cows (Alberta)				
D1,2 Live	126.50	128.30	108.30	-1.80
D3 Live	111.90	112.50	97.20	-0.60
Rail	235-240	235-240	206-211	+0.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta moved lower last week after many weeks of price increases and record highs. For the week D1,2 slaughter cows decreased $1.80 per cwt to average $126.50 per cwt, while the price of D3 slaughter cows decreased $0.60 per cwt to average $111.90 per cwt.

Fed cattle prices in Western Canada were also lower over the week. The price of fed steers in Alberta was reported to average $164.34 per cwt, down $0.94 per cwt from the all-time high record price of $165.28 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$154.92 per cwt, down US$5.00 per cwt from US$159.92 per cwt the previous week, but up 24.8 per cent from US$124.12 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$243.65 per cwt, down US$7.38 per cwt from US$251.03 per cwt the previous week, but up 23.1 per cent from US$198.00 per cwt the same week a year ago.

Choice beef cutout prices (600-900 lb.) averaged US$257.35 per cwt, down US$4.91 per cwt or 1.9 per cent from record high weekly average price of US$262.26 per cwt the previous week, but up 33.9 per cent from US$192.13 per cwt the same week a year ago. Beef production was 465.5 million lb., up 1.0 per cent from 460.7 million lb. the previous week, but down 6.5 per cent from 497.6 million lb. the same week a year ago. Cattle slaughtered over the week totaled 577,000 head, up 0.7 per cent from 573,000 head the previous week, but down 7.6 per cent from 624,000 head the same week a year ago.

USDA World Agricultural Supply and Demand Estimates (WASDE)

On August 12 the USDA released the August World Agricultural Supply and Demand Estimates (WASDE). United States August corn production estimates were increased by 2.1 bushels per acre to 167.4 bushels per acre from the July estimates; increasing total production estimates to 14.032 billion bushels. While USDA estimates were higher, they were below the average trade estimates of 170.098 bushels per acre and total estimated production of 14.253 billion bushels. U.S. cash and future corn prices moved higher over the week, likely on the report estimates.

The USDA WASDE report estimated that United States Red Meat and Poultry production for 2014 will be 92.234 billion lb., a slight increase from the July estimates, but a 1.2 per cent decline from 2013. U.S. beef production was revised slightly higher from July. United States meat production for 2014 is projected to decline for pork (-1.7%), turkeys (-1.6%), and for beef (-4.5%), but increase for broilers (+1.5%), from 2013 production.

USDA August World Agricultural Supply and Demand Estimates

	Quarter	Million Pounds				Total Red Meat & Poultry
		Beef	Pork	Broiler	Turkey	
2013	Annual	**25,720**	**23,178**	**37,830**	**5,805**	**93,333**
2014	July Proj.	24,538	22,760	38,233	5,717	92,031
2014	**Aug. Proj.**	**24,561**	**22,779**	**38,399**	**5,711**	**92,234**
% Chg.	July-Aug.	0.09%	0.08%	0.43%	-0.10%	**0.22%**
% Chg.	2013-14	**-4.51%**	**-1.72%**	**1.50%**	**-1.62%**	**-1.18%**

Source: USDA August WASDE Report, August 12, 2014

Friday Price Information

Product		This Week (August 15)	Week of: (August 8)	Week of: (May 30)
Canadian Dollar (closing rate US$)		.9184	.9115	.9223
U.S. Cash Cattle				
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		222.21	222.33	191.43
Seven-day Weighted Average FC Index Wt. (lb.)		757	771	761
Live Fed 5-area Steer Price (US$ per cwt)		154.92	159.92	144.39
Feed Grains				
Barley	Lethbridge ($/tonne)	175.00	178.00	198.00
	($ per bu.)	3.81	3.88	4.31
Corn	Iowa State Average (CDN$/tonne)*	150.03	144.69	190.37
	(US$ per bu.)	3.50	3.35	4.46
	Omaha, NE (CDN$/tonne)*	151.75	149.44	208.73
	(US$ per bu.)	3.54	3.46	4.89
Futures				
	Sept. Corn (US$ per bu.)	3.65½	3.51¾	4.58
	Dec. Corn (US$ per bu.)	3.77	3.63½	4.57½
	August Live Cattle (US$ per cwt)	150.600	152.550	138.600
	October Live Cattle (US$ per cwt)	147.750	150.000	142.600
	August Feeder Cattle (US$ per cwt)	217.225	215.325	197.050
	October Feeder Cattle (US$ per cwt)	214.300	213.975	198.425

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News

* conversion to CDN$ is based on Friday's CDN$ closing rate (This week it is Thursday's CDN$)

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